

GOED Board Meeting Minutes

July 10, 2014 • 10:00 a.m.

Governor's Office of Economic Development
60 E. South Temple, Third Floor

Members Present:	Mel Lavitt, Jerry Oldroyd, Winston Wilkinson, Cliff White, Sam Granato, Christopher M. Conabee, Margo Jacobs, Kate Riggs (phone), Peter Mouskondis, Lorena Riffo-Jensen
Staff:	Theresa A. Foxley, Sophia DiCaro, Eric Nay, Jenni Osman, Fred Lange, Jessica Nield, Tamy Dayley, Thomas Wadsworth, Ron Andrus, Mindy Vail, Kelleigh Cole, Marshall Wright, Jeff Van Hulten
Visitors:	Todd Brightwell, Marshall Moore, Mimi Davis-Taylor, Bryce Wallace, Ricky Flores, Jorge Sanchez, Vicki Varella, Jeff Edwards, Mark Mathis, Angela Carrier, Mitch Mackoff, David Belpedio, Mike Gorrell, Brice Wallace, Tim Wallace

Welcome

Mel Lavitt welcomed everyone to the July 10, 2014 Board meeting.

Spencer P. Eccles had a piece on the news the last Sunday and it was shown for the GOED Board.

Approval of the Minutes

MOTION: Sam Granato moved to approve the June 12, 2014 minutes. Lorena Riffo-Jensen seconded the motion. Motion was carried unanimously.

EDTIF – CSM Bakery

Project Highlights

Timeline:	2014
Target Industry:	Manufacturing
Proposed Location(s):	Weber County
Capital Investment:	\$30,400,000

Jobs & Revenue

Full time job over project lifetime:	100
The company will provide full time employees with comprehensive health and retirement benefits.	

New State Wages & Revenue:

New State Wages over 6 years:	\$12,582,743
New State Revenue over 6 years:	\$1,567,621

Local Incentive

Pleasant View City has offered a local incentive to the company for relocation and expansion.

Proposed State Incentive:

Total amount of EDTIF, post-performance refundable tax credit:	\$313,524
The amount represents the following percentage of new state revenues:	20%
Number of years that incentive is approved for:	6 years

Company Overview

CSM Bakery Products is one of the largest bakery products manufacturers in North America, employing over 2,800 men and women in 11 manufacturing facilities and 2 research and development centers. CSM offers the most complete sweet goods portfolio in North America, including a variety of cakes, cookies, brownies, muffins, bakery mixes, icings, toppings, fruit and creme fillings, plus laminated dough and pastries. CSM sells goods in varying formats, including finished goods, ready-to-bake, and baking components. Major customers include grocers, food retailers, bakeries, and food service operators.

MOTION: Jerry Oldroyd moved to approve CSM Bakery for a \$313,524 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 6 years. Margo Jacobs seconded the motion. The motion carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$313,524 EDTIF post-performance refundable tax credit.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 125 % of the Weber County average wage each including company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 6 years.
- Subject to local incentive.

David Belpedio thanked the GOED Board for their support in this project and also addressed the competitive nature of this project. The company really enjoys the facility that they will be expanding and appreciate all of the work that was done to be able to expand in Utah.

EDTIF – Consumer United

Project Highlights

Timeline:	2014
Target Industry:	Financial Services: Insurance
Proposed Location(s):	Weber County
Capital Investment:	\$900,000

Jobs & Revenue

Full time job over project lifetime:	400
The company will provide full time employees with comprehensive health and retirement benefits.	

New State Wages & Revenue:

New State Wages over years:	\$121,744,109
New State Revenue over years:	\$5,268,757

Local Incentive

Please see local letter. There is a local incentive provided to the company from the prospective locations. The company is evaluating multiple potential projects in Roy, Ogden and Clearfield.

Proposed State Incentive:

Total amount of EDTIF, post-performance refundable tax credit:	\$1,053,751
The amount represents the following percentage of new state revenues:	20%
Number of years that incentive is approved for:	7 years

Company Overview

Consumer United is an ecommerce financial services company providing consumers with an online real-time comparative shopping experience for a variety of insurance products with the multiple carriers Consumer United represents. Founded in 2007 by Justin Dangel, a serial entrepreneur, Consumer United has now grown to 400 employees in multiple locations. Consumer United currently hires approximately 20-30 new employees each month. Consumer United has made the Inc 500 fastest growing private companies list each of the last 2 years and was named one of the Top 10 Fastest Growing Companies in Insurance by Inc. Magazine in 2012.

MOTION: Jerry Oldroyd moved to approve Consumer United for a \$1,053,751 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 7 years. Lorena Riff-Jensen seconded the motion. Motion carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$1,053,751 EDTIF post-performance refundable tax credit.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year.

- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 125 % of the Weber County average wage each including company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 7 years.
- Subject to local incentive.

Mitch Mackoff and Angela Carrier were on the phone representing the company. Mitch spoke briefly on the type of people they are looking to hire and that is the not-tech degrees, they like the different, productive workforce that Utah has to offer and they are very excited about this new partnership with the State.

Daggett County

Recommend an IAF economic opportunity grant for developing current and new mountain bike trails in Daggett County. With continued pressure on the water resources of the Flaming Gorge and the Green River there is a huge need to diversify the recreation offerings in the area and mountain biking seems like the most fitting and potentially beneficial way to encourage visitation to Flaming Gorge without impacting the quality of our water based recreation. Improving the existing trails in a purposeful way and creating new trails in the abundant natural resources in and around Flaming Gorge can assist in creating the region as a high quality mountain biking destination. County funds of \$40,000 and other private donations will be used as a match. Funding will be used for the following activities:

1. Signage improvements
2. Parking improvements
3. Trail Improvements
4. Restroom Development
5. NEPA
6. Marketing and Promotion of Trails

MOTION: Jerry Oldroyd moved to approve an IAF Economic Opportunity Grant for Daggett County of up to \$40,000 as a 50/50 matching grant, from the Industrial Assistance Fund, for the purpose of developing current and new mountain biking trails in Daggett County. Mel Lavitt seconded the motion. Motion was carried unanimously.

RFT

ES Innovation

The Rural Development office recommends a Rural Fast Track grant for ES Innovations, based in Enoch, Iron County, for the purpose of purchasing an additional milling machine used in the manufacturing of essential oil and aromatherapy diffusers (atomization). This expansion is expected to double their production capacity and increase their output by 285%. The company expects to hire 2-5 new employees. The project is estimated to cost One hundred thirty-three thousand nine hundred dollars (\$133,900.00).

MOTION: Endorse a Rural Fast Track Grant for ES INNOVATIONS of \$50,000.

Western Mine Tools

The Rural Development office recommends a Rural Fast Track grant Western Mine Tools, based in Helper, Carbon County, by purchasing machining, welding, and fabrication equipment for the purpose of economic diversification in central Utah. The company expects to create 2 full-time jobs. The project is estimated to cost sixty-eight thousand, two hundred twenty-eight dollars (\$68,228.00).

MOTION: Endorse a Rural Fast Track Grant for Western Mine Tools of \$34,113.

Paul Terry Trucking

The Rural Development office recommends a Rural Fast Track grant Paul Terry Trucking Company, based in Fillmore, Millard County, for the purpose of purchasing 4 new tractor-trailers to accommodate increased demand. The refrigerated trucks will be California Air Resources Board compliant. The company will hire 4 new employees. The project is estimated to cost six hundred thousand dollars (\$600,000.00).

MOTION: Endorse a Rural Fast Track Grant for PAUL TERRY TRUCKING COMPANY of \$50,000.

Timberline GSE

The Rural Development office recommends a Rural Fast Track grant Timberline GSE, based in Richfield, Sevier County, for the purpose of purchasing a hydraulic brake press used in the manufacturing of airport tarmac equipment to meet increasing demand. The project is estimated to cost one hundred twenty-seven thousand dollars (\$127,000.00).

MOTION: Endorse a Rural Fast Track Grant for Timberline GSE of \$50,000.

MOTION: Christopher M. Conabee moved to approve all RFT Endorsements. Winston Wilkinson seconded the motion. Motion carried unanimously.

MPAC

“The Mentor” Adjustment

RECOMMENDATION: Adjusting The Mentor Films Utah Production, Inc. Motion

One May 8, 2013 the GOED Board approved for The Mentor Films Utah Production, Inc. a post-performance tax credit of no less than \$270,000 (which represents 20% of dollars left in state) and up to \$337,500 (which represents 25% of the dollars left in state) for the production of “The Mentor.” The company began production May 9, 2013 and finished production May 6, 2014. Upon completion of the production it was determined that the company would not meet the \$1,000,000 minimum spend requirement, but had a total “Utah Spend” of \$707,365.

Motion: Christopher M. Conabee moved to approve the adjustment for The Mentor Films Utah Production, Inc. “The Mentor” post-performance tax credit incentive from no less than \$270,000 (which represents 20% of dollars left in state) and up to \$337,500 (which represents 25% of the dollars left in state) to \$141,743 (which represents 20% of the dollars left in state). Peter Mouskondis seconded the motion. Motion carried unanimously.

“Bigfoot vs. Nazis”

Project Highlights

- Category: Feature Film
- Genre: Fantasy Adventure
- Director: John Lyde
- Producers: Jason Faller, Kynan Griffin

Utah Jobs and Revenue

- Estimated Cast: 18
- Estimated Cast Average Salary: \$200/day
- Estimated Crew: 25
- Estimated Crew Average Salary: \$250/day
- Estimated Extras: 200
- Estimated Extras Average Salary: \$50/day
- Length of Film Production: 16
- Estimated Spend: \$492,030

Project Schedule

- Prep: June 15, 2014 through November 2, 2014
- Principal Photography: November 3, 2014 through November 25, 2014
- Wrap: November 26, 2014 through May 31, 2015

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) MPAC MEETING DATE

MOTION: Lorena Rizzo-Jensen moved to approved for Camera 40 Productions Motion Picture Incentive Program post-performance tax credit up to \$98,406 (which represents 20% of dollars left in state) for the production of ‘Bigfoot versus Nazis.’ Jerry Oldroyd seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive

- At least 85% of the production's cast/crew must be Utah residents and/or Utah students.

“Granite Flats Season 3”

Project Highlights

- Category: TV Series
- Genre: Drama
- Director: Brian McNamara
- Producer: Jeff T. Miller

Utah Jobs and Revenue

- Estimated Cast: 30
- Estimated Cast Average Salary: \$842/ day
- Estimated Crew: 65
- Estimated Crew Average Salary: \$350/ day
- Estimated Extras: 300
- Estimated Extras Average Salary: \$110/ day
- Length of Film Production: 56
- Estimated Spend: \$6,800,000

Project Schedule

- Prep: August 15, 2014 through September 21, 2014
- Principal Photography: September 22, 2014 through December 15, 2014
- Post Production: October 5, 2014 through December 31, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) July 1, 2014

MOTION: Sam Granato moved to approve for Vineyard Productions a Motion Picture Incentive Program post-performance tax credit of no more than \$1,360,000 (which represents 20% of dollars left in state) or no more than \$1,700,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Granite Flats Season 3.” Peter Mouskondis seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor's Office of Economic Development Board of Directors approval.
- Vineyard Productions may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor's Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$1,700,000 (25% of the dollars left in state).

“Mantivites”

Project Highlights

- Category: Feature Film
- Genre: Comedy
- Director: Fred Savage
- Producers: Kevin Mann, Jordana Mollick

Utah Jobs and Revenue

- Estimated Cast: 44
- Estimated Cast Average Salary: \$964/ day
- Estimated Crew: 112
- Estimated Crew Average Salary: \$304/ day
- Estimated Extras: 271
- Estimated Extras Average Salary: \$108/ day

- Length of Film Production: 25
- Estimated Spend: \$1,800,000

Project Schedule

- Prep: July 14, 2014 through August 15, 2014
- Principal Photography: August 18, 2014 through September 19, 2014
- Wrap: September 22, 2014 through September 26, 2014
- Post Production: September 22, 2014 through October 10, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) July 1, 2014

MOTION: Jerry Oldroyd moved to approve for Knights Of The Sandwich, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$360,000 (which represents 20% of dollars left in state) or no more than \$450,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Mantivities.” Margo Jacobs seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Knights Of The Sandwich, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$450,000 (25% of the dollars left in state).

“The I.P. Section”

Project Highlights

- Category: TV PILOT
- Genre: Comedy
- Director: Kohl Glass
- Producer: Jeremy Coon

Utah Jobs and Revenue

- Estimated Cast: 15
- Estimated Cast Average Salary: \$500/day
- Estimated Crew: 36
- Estimated Crew Average Salary: \$250-500/day
- Estimated Extras: 40
- Estimated Extras Average Salary: \$100/ day
- Length of Film Production: 7 days
- Estimated Spend: \$300,000

Project Schedule

- Prep: July 1, 2014 through August 4, 2014
- Principal Photography: August 5, 2014 through August 13, 2014
- Wrap: August 14, 2014 through August 14, 2014
- Post Production: August 15, 2014 through September 15, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Utah Film Commission (UFC) July 1, 2014

MOTION: Jerry Oldroyd moved to approve for Calthead Inc. a Motion Picture Incentive Program post-performance tax credit up to \$60,000 (which represents 20% of dollars left in state) for the production of “The I.P. Section.” Winston Wilkinson seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive
- At least 85% of the production's cast/crew must be Utah residents and/or Utah students.

"The Other"

Project Highlights

- Category: Feature Film
- Genre: Thriller/Suspense
- Director: Rick Bieber
- Producer: Rick Bieber

Utah Jobs and Revenue

- Estimated Cast: 8
- Estimated Cast Average Salary: \$970.20/ day
- Estimated Crew: 45
- Estimated Crew Average Salary: \$300/ day
- Estimated Extras: 20
- Estimated Extras Average Salary: \$100/ day
- Length of Film Production: 25 days
- Estimated Spend: \$831,000

Project Schedule

- Prep: September 29, 2014 through November 7, 2014
- Principal Photography: November 10, 2014 through December 12, 2014
- Wrap: December 15, 2014 through December 26, 2014
- Post Production: January 5, 2015 through March 6, 2015

Motion Picture Advisory Committee Recommendation

Approved by the Utah Film Commission (UFC) July 1, 2014

MOTION: Lorena Riffo-Jensen moved to approve for Minds i Cinema a Motion Picture Incentive Program post-performance tax credit up to \$166,200 (which represents 20% of dollars left in state) for the production of "The Other." Margo Jacobs seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive
- At least 85% of the production's cast/crew must be Utah residents and/or Utah students.

"True"

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Rick Bieber
- Producer: Rick Bieber

Utah Jobs and Revenue

- Estimated Cast: 25
- Estimated Cast Average Salary: \$970.20/ day
- Estimated Crew: 45
- Estimated Crew Average Salary: \$300/ day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$100/ day
- Length of Film Production: 25
- Estimated Spend: \$855,000

Project Schedule

- Prep: December 1, 2014 through January 9, 2015
- Principal Photography: January 12, 2015 through February 13, 2015
- Wrap: February 16, 2015 through February 27, 2015
- Post Production: March 2, 2015 through May 1, 2015

Motion Picture Advisory Committee Recommendation

Approved by the Utah Film Commission (UFC) July 1, 2014

MOTION: Sam Granato moved to approve for Minds i Cinema a Motion Picture Incentive Program post-performance tax credit up to \$171,000 (which represents 20% of dollars left in state) for the production of 'True.' Margo Jacobs seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive
- At least 85% of the production's cast/crew must be Utah residents and/or Utah students.

"Waffle Street"

Project Highlights

- Category: Feature Film
- Genre: Drama/Comedy
- Directors: Ian Nelms, Eshom Nelms
- Producers: Autumn McAlpin, Brad Johnson, John Kelly

Utah Jobs and Revenue

- Estimated Cast: 56
- Estimated Cast Average Salary: \$819/day
- Estimated Crew: 49
- Estimated Crew Average Salary: \$200/day
- Estimated Extras: 23
- Estimated Extras Average Salary: \$100/day
- Length of Film Production: 24
- Estimated Spend: \$1,582,722

Project Schedule

- Prep: July 14, 2014 through August 3, 2014
- Principal Photography: August 4, 2014 through August 30, 2014
- Wrap: September 1, 2014 through September 6, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) July 1, 2014

MOTION: Peter Mouskondis moved to approve for Waffle Street, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$316,545 (which represents 20% of dollars left in state) or no more than \$395,680 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of "Waffle Street." Sam Granato seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor's Office of Economic Development Board of Directors approval.
- Waffle Street, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor's Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$395,680 (25% of the dollars left in state).

“Wild Horses”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Robert Duvall
- Producers: Arnold Rifkin, Rob Carliner, Mark G. Mathis

Utah Jobs and Revenue

- Estimated Cast: 34
- Estimated Cast Average Salary: \$800/ day
- Estimated Crew: 56
- Estimated Crew Average Salary: \$280/ day
- Estimated Extras: 100-150
- Estimated Extras Average Salary: \$108/ day
- Length of Film Production: 25 days
- Estimated Spend: \$1,603,500

Project Schedule

- Prep: June 30, 2014 through August 1, 2014
- Principal Photography: August 4, 2014 through September 5, 2014
- Wrap: September 8, 2014 through September 19, 2014

MOTION: Margo Jacobs moves to approve for Wild Horses Productions Entertainment, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$320,700 (which represents 20% of dollars left in state) or no more than \$400,875 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Wild Horses.” Winston Wilkinson seconded the motion. Motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Wild Horses Productions Entertainment, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$400,875 (25% of the dollars left in state).

Presentation from Taylor Randall

The School of Business at the University of Utah is rising to a headcount of 10% each year. At least 90 % of graduates want to enroll in one of the best business schools and the University of Utah is putting out accountants that are in the top 25 of the nation.

The University Of Utah School Of Business has three main initiatives:

1. Online education
 - a. Help reduce the overall cost.
 - b. Flexible to create a unique experience for students.
2. Breaking ground on the \$45 million entrepreneur program.
3. Policy Institute

The program is currently graduating about 700 undergrads and around 1,000 are graduating with their masters. The program focusing on trying to motivate entrepreneurs and they like to work closely with certain companies on special projects to see how the students will succeed. They are currently selling existing programs that the students have worked on to successful companies.

GOED Update

Sophia DiCaro, Interim Executive Director of GOED, provided an update regarding Daylight Savings.

Incentives Update

Theresa A. Foxley, Incentives Manager gave an update on the Incentives Program regarding new and existing projects. Theresa and Todd Brightwell gave an update on all of the companies that were previously incented this past year.

EDCU Update

Jeff Edwards, President of EDCUtah, presented on the status of current and upcoming projects in the pipeline. He spoke on the increase of the number of projects that EDCU is seeing in all industries.

Meeting adjourned.